

# INSIDE VILNIUS OFFICE MARKET

## Q2 2015



Vilnius. Visualization of „Quadrum“

## Supply

By the end of Q2 2015 the stock of modern office premises in Vilnius was 415,200 sq. m or 0.77 sq. m per capita. This number excludes entirely built-to-suit and partially sold projects. In Q2 2015 business centre „Premium“ of 8,300 sq. m was completed. Building was nearly fully let prior to opening.

It is expected that during 2015-2017 Vilnius modern office stock will potentially increase by additional approx. 169,000 sq. m. Currently five new projects are under construction in Vilnius.

Developers no longer focus on prime schemes only. Indeed, at least half of the new stock will be modern class B offices located outside CBD.

## Vacancy

Vacancy of modern both class A and class B office buildings remained very low in Q2 2015. Vacancy in prime offices fell below 1% in average in the second half of 2014 and stayed very low throughout a year. In Q2 2015 vacancy for A class properties stood at 0.9% which means that there is almost no available A class space in current market.

High demand has positively affected occupancy of B class business centres as well, especially those near the CBD. In Q2 2014 the average vacancy rate in B class offices stood at 6.9% and in Q2 2015 it decreased to 1.7%. New openings did not affect vacancy rate as they were mainly pre-let.

## Demand

The largest office rent transactions in Q2 2015 were made by public sector companies and shared service centres (SSC) working in insurance and finance sectors. It was estimated that SSC and IT companies already occupy around 20% of all office stock in Vilnius with expectation to grow further.

The largest office space deal in Q2 2015 and in recent year was made by „Danske bank“ expanding to 6.900 sq. m space in business centre „Uniq“.

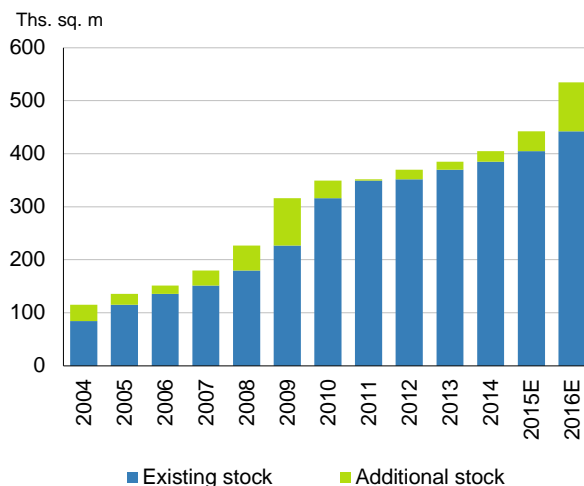
Sufficient talent pool and attractive conditions for business continue attracting new companies to Vilnius and also influence growth of existing ones - this has a direct effect for office market and it's significant growth.

The fact for pre-lets is returning to the market with leases being often secured 6 to 9 months in advance to physical move.

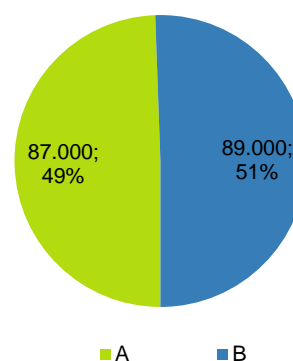
## Rent rates

In Q2 2015 the average market rent of prime office space in Vilnius CBD ranged 14.5-15.8 EUR/sq. m/month reaching 17 EUR/sq. m/month in some particular cases. In other central areas rents were in range of 10-15 EUR/sq. m/month, whereas B class offices further from city centre were rented for 8.5-13 EUR/sq. m/month. With highest rents in campuses and professionally managed buildings.

## Office Stock Development: Dynamics



## Office construction in 2015-2017, sq. m



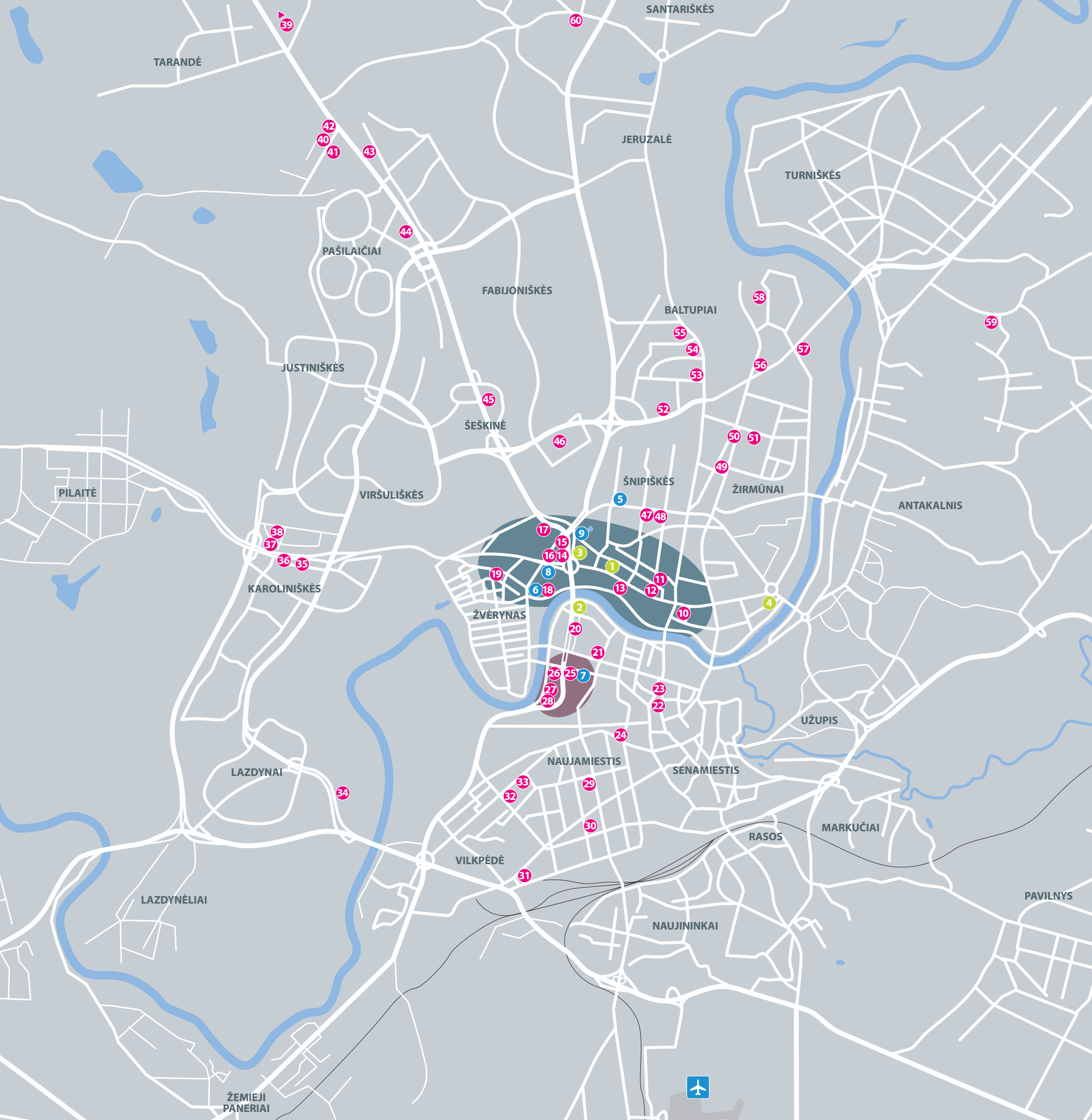
## Office development in Vilnius 2015-2016

No	Developer, Name	Class, Leasable area	Expected finishing
1	Sostena	B, 2,300 sq. m	2015 Q1
2	Evolis, Premium	B, 8,400 sq. m	2015 Q2
3	Lords LB, K29	A, 14,100 sq. m	2015 Q3
4	Vastint Lithuania, Uniq	A, 6,816 sq. m	2015 Q3
5	NBP group, BC One	B, 6,000 sq. m	2015 Q2
6	Schage, Quadrum	A, 30,000 sq. m	2016
8	Eika, BC 135	B, 8,000 sq. m	2016
9	Upes Projektai, Hall 2	A, 8,000 sq. m	2016
10	Hanner, City	B, 20,000 sq. m	2016
11	Technopolis, Delta	B, 21,000 sq. m	2016

## Vacancy in business centers

	Q2 2014	Q2 2015
A class	1.6%	0.9%
B class	6.9%	1.7%

# OFFICE BUILDINGS IN VILNIUS



No	Project Name	Address, street
1	Quadrum	Konstitucijos Ave. 21
2	UNIQ	A. Gostauto St. 12a
3	K29	Konstitucijos Ave. 29
4	Premium	Sporto St. 18
5	Zalgirio 135	Zalgirio St. 135
6	Green Hall 2	Upes St. 21
7	Jasinskio 10	J. Jasinskio St. 10
8	Narbuto 5	T. Narbuto St. 5
9	Lvovo 105	Lvovo St. 105
10	IBC (International Business Centre)	Seimyniskiu St. 3a, 3, 1a / A. Juozapaviciaus St. 6/2
11	Vilnius Business Harbour	Lvovo St. 25
12	Europa	Konstitucijos Ave. 7
13	Swedbank Headquarters	Konstitucijos Ave. 20a
14	GV18A	Gelezinio Vilko St. 18a
15	Danske Bank	Saltoniskiu St. 2
16	Saltoniskiu 10C	Saltoniskiu St. 10c
17	Baltic Hearts	Ukmerges St. 120
18	Green Hall	Upes St. 21
19	Marenta Business Centre	Kestucio St. 65
20	Vertas	Gyneju St. 16
21	Merchants' Club	Gedimino Ave. 35
22	Plaza 31/1	Vilniaus St. 31 / Islandijos St. 1
23	Business Centre 2000	Jogailos St. 4
24	Basanaviciaus 15	Basanaviciaus St. 15
25	BC 12	J. Jasinskio St. 12
26	MG Baltic	J. Jasinskio St. 16, 16a, 16b, 16c
27	Eika Business Centre	A. Gostauto St. 40a, 40b
28	G40	A. Gostauto St. 40
29	Vilbra Business Centre	Svirigailos St. 11b, 11h, 11m
30	Vytenio 46	Vytenio St. 46
31	Skraidenis	Naugarduko St. 100, 102
32	LJB	Savanoriu Ave. 28
33	Evita	Savanoriu Ave. 18
34	L3	Laisves Ave. 3
35	JIN&JAN	Menulio St. 7, 11
36	Trapecija	Pilaites Ave. 16
37	Atea	J. Rutkausko St. 6
38	Grand Office	Virsuliskiu In. 34
39	Orange Office	Senasis Ukmerges Rd. 4
40	Trio	Perkunkiemio St. 3, 5, 7
41	Business Park Four	Perkunkiemio St. 2, 4, 6
42	Vertingis	Ukmerges St. 322
43	Kamane	Ukmerges St. 369a
44	Sostena	Ukmerges St. 280
45	Evolution	Ukmerges St. 223
46	Akropolio Business Centre	Ozo St. 25
47	Kernaves Business Centre	Zalgirio St. 92
48	Zalgirio Business Centre	Zalgirio St. 88
49	North Star	Olonu St. 2
50	Olonu Business Centre	Verkiu St. 25c / J. Galvydzio St. 1
51	Domus Centre	P. Luksio St. 32
52	Ozo Business Centre	Ozo St. 10a
53	Alfa	V. Gerulaicio St. 1
54	Beta	J. Balcikonio St. 3
55	Gama	Kalvariju St. 204
56	NCBC	Kareiviu St. 6
57	Eta	Zirmunu St. 107
58	Zirmunu Business Centre	Zirmunu St. 139
59	Sunrise Valley	Sauletekio ALY 15
60	VITP	Mokslininku St. 2a

- Under development Office buildings
- Possible development Office buildings
- Existing Office buildings
- CBD
- Business triangle



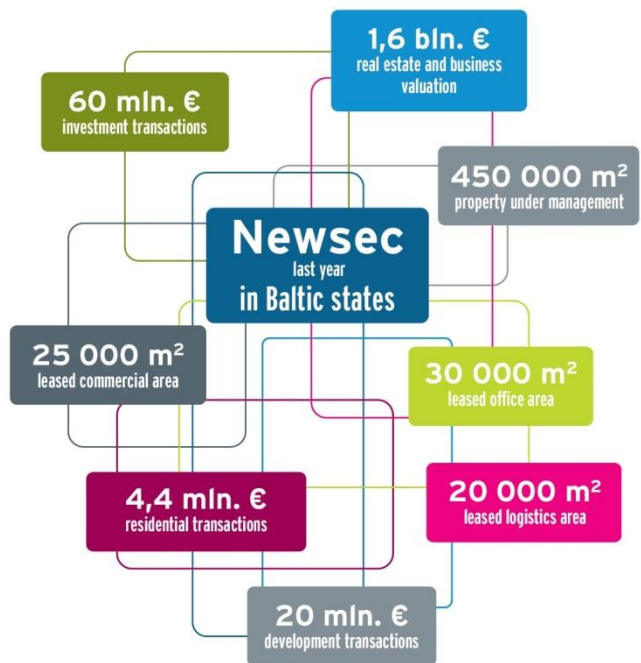
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Today, Newsec employs over 600 professionals in over 20 offices and covers all parts of the commercial property market. Newsec provides services to most of the leading property owners, investors and corporates in the region.



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